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PC-1013

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SURFACE RESOURCES

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**New Mexico State Land Office
Commissioner of Public Lands
Ray Powell, M.S., D.V.M.**

October 15, 2002

ChevronTexaco
15 Smith Road
Midland, Texas 79705

Attention: Ms. Carolyn J. Haynie

Re: Application for Surface Commingling
New Mexico "EA" State Well No. 1, NE/4NE/4
New Mexico "EA" State Well No. 2, NW/4NE/4
Section 24-18S-37E
Lea County, New Mexico

Dear Ms. Haynie:

We are in receipt of your letter of September 5, 2002 requesting our approval for pool (surface) commingling of the oil, gas, and water production from the above captioned wells from the following pools:

Wildcat-Tubb
Wildcat-Drinkard, and
Wildcat-Abo pools;

It is our understanding that the gas and oil production will be allocated to each of these wells with the use of a metering separator located at the NM "EA" State # 1 commingled battery.

Since it appears that all the New Mexico Oil Conservation Division's rules and regulations have been complied with, and there will be no loss of revenue to the State of New Mexico, as a result of your proposed operation, your request is hereby approved. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Your \$30.00 dollar filing fee has been received.

If you have any questions or if we may be of further help, please contact Pete Martinez at (505) 827-5791.

Very truly yours,

RAY POWELL, M.S., D.V.M.
COMMISSIONER OF PUBLIC LANDS

BY:

JAMI BAILEY, Director
Oil, Gas and Minerals Division
(505) 827-5744

RP/JB/pm

pc: Reader File, OCD-Attention: David Catanach